



DEPARTMENT OF HUMAN RESOURCES

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POWERS, DUTIES AND FUNCTIONS

The Department of Human Resources is the central personnel staff agency for the City. Our primary purpose as reflected in the City Charter is to establish a comprehensive personnel management program based on merit principles and generally accepted methods governing the classification of positions and the employment, conduct, movement and separation of public employees. This department is charged with building a career service designed to attract, select and retain, on a merit basis, the best qualified civil servants.

The Director of Human Resources represents the mayor in the collective bargaining process and directs and coordinates an employee-management relations program for the City. In this respect, the department negotiates and administers eight collective bargaining agreements covering city employees.

In addition, the department carries out programs in the areas of training, safety, workers' compensation, health services, incentives and awards, and employee assistance.

The Department of Human Resources has a staff of 71 employees serving 8,150 permanent, 82 temporary and 336 exempt employees. Other than the office of the director, the department is organized into the five major functional divisions of Classification and Pay, Employment and Personnel Services, Health Services, Industrial Safety and Workers' Compensation, and Labor Relations and Training. The Equal Opportunity Office operates within the department's administrative function.

HIGHLIGHTS

- Management training and individual scholarships were made available through the mayor's Project Management Office (PMO) for employees to attend seminars and conferences that showcase national best practices. Through the scholarship program, employees can network with peers, learn about leading edge technology, and bring back knowledge, training and information to improve city operations.
- New programs were implemented to increase the number of leadership sessions offered to city managers and supervisors. In the area of leadership development, the Training Branch sponsored management issues forums, not only as a means to keep managers informed about various city projects and issues, but also to invite high-profile industry speakers to present the latest trends and topics in leadership.
- 13,851 total training hours were completed by 2,743 employees who participated in Training Branch-sponsored classes. The number of participants increased by 26% over FY05.
- The department is involved in a new Enterprise Resource Planning (ERP) system for financial and human resources/payroll processes. Staff are involved in design, planning, development and implementation of the HR/payroll phase. The targeted date to begin implementation is October 2006.
- Monitoring city compliance with the FairPay regulations issued by the U.S. Department of Labor continues. Staff continues to provide direction and advice, as well as, general overview and in-depth FLSA exemption training to department and agency supervisors and administrative staff to ensure compliance.
- Total workers' compensation expenditures decreased \$1,931,079 (13.3%) from the prior fiscal year. This is the second straight year expenditures have decreased, coinciding with a continual decrease in number of claims filed by city employees.
- The medical review officer functions were brought back within the City, allowing us to provide faster turn around on all positive drug tests. The MRO provides analysis and follow-up for pre-employment and random drug testing of various city employees.
- Staff is working on automating various personnel action approval forms such as extension of limited term appointments, departmental promotions, transfers and demotions, suitability checks and requests for eligibles.
- The department has begun a quarterly breakfast meeting with the mayor for employees who are being recognized for their outstanding work contributions to the City.
- To facilitate city-wide compliance with various employment laws, the Equal Opportunity (EO) Office coordinated training in the subject areas of prevention of sexual harassment, investigative statements and interviews, and conducting internal investigations. The investigation and monitor-

ing of complaints of discrimination is generally the responsibility of line departments with oversight and guidance provided by the EO Office. The EO Office provides guidance and review with regard to internal complaints, formal charges filed with federal Equal Employment Opportunity Commission (EEOC) and/or Hawaii Civil Rights Commission, as well as litigation asserting violation of civil rights laws, policies and procedures.

CIVIL SERVICE COMMISSION

The primary functions of the Civil Service Commission are to prescribe rules to carry out the provisions of the City Charter, hear appeals, and advise the mayor and the director of human resources on issues and problems relating to the management of personnel.

Commission Activities

The Commission held eight meetings during the year; and two meetings were cancelled.

Ms. Maria Jo Farina served as chair and Mr. Thomas F. Hinkle served as vice-chair for the fiscal year ending June 30, 2006. Ms. Elizabeth Ho served as member and resigned on August 30, 2005. Ms. Virtta E. P. Hite and Ms. Lynn A. Ching were appointed as members.

CIVIL SERVICE COMMISSION APPEALS

July 1, 2005 - June 30, 2006

APPEALS	BACKLOG	RECEIVED	WITHDREW	UNTIMELY	HEARINGS	DISMISSED	UPHELD	DENIED	PENDING
Exams & Selections									
Application Disqualification	—	1	—	—	—	—	—	—	1
Application Rejection	—	2	1	—	1	—	—	1	—
Employment Suitability	—	1	—	—	1	1	—	—	—
Minimum Qualifications	1	—	1	—	—	—	—	—	—
Non-Selection (includes failure by appointing authority to provide relevant info. & continual violation of rules & denial of due process.)	3	3	2	—	2	—	—	4	—
Classification Action	7	2	2	—	1	—	—	7	—
Discipline & Termination									
Denial request to rescind resignation	1	—	—	—	1	1	—	—	—
Dismissed	—	3	1	1	2	—	—	1	—
Others									
Declination of Veteran's Preference points	1	—	—	—	1	1	—	—	—
Extension of probationary period beyond one year and conversion of status to limited term appointment	1	—	—	—	1	—	—	—	1
Involuntary Rotation	—	1	1	—	1	—	—	—	—
Temporary Assignment	1	1	1	—	—	—	—	—	1
Total	15	14	9	1	11	3	—	13	3

EQUAL OPPORTUNITY OFFICE

Major Functions

The responsibility for the Equal Opportunity in the City and County of Honolulu is delegated to each line department and agency. To oversee the City's compliance and effectiveness with federal, state and city laws on equal employment, affirmative action, sexual harassment, ADA and civil rights in general, an equal opportunity officer (EOO) position was created and is housed within the Department of Human Resources.

Major Duties and Responsibilities

Promote, coordinate and monitor city compliance with federal, state and city laws and directives; establish policies and procedures to meet program objectives; provide technical guidance and advice in all areas of employment practices discrimination, affirmative action, sexual harassment, ADA compliance and civil rights in general. Areas of compliance oversight include, but are not limited to: Titles VI and VII of the Civil Rights Act of 1964; Sections 503 and 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; Executive Order 11246, as amended by Executive Order 11375; State Fair Employment Practices Act and City and County of Honolulu Revised Ordinances. Provide oversight and coordination for the proper handling of all complaints and charges relating to employment practices discrimination. Provide technical resource and assistance to executives, managers and administrative officers.

Activities and Highlights

To facilitate city-wide compliance with various employment laws, the Equal Opportunity (EO) Office coordinated training in the subject areas of prevention of sexual harassment, investigative statements and interviews, and conducting internal investigations.



Participants in Internal Investigations Training Class – March 2006.



The investigation and monitoring of complaints of discrimination is generally the responsibility of line departments with oversight and guidance provided by the EO Office. The EO Office provides guidance and review with regard to internal complaints, formal charges filed with federal Equal Employment Opportunity Commission (EEOC) and/or Hawaii Civil Rights Commission, as well as litigation asserting violation of civil rights laws, policies and procedures.

The City's EEO, Denise Tsukayama, served as chair of the Society for Human Resource Management Hawaii Chapter State Conference held at the Sheraton Waikiki Hotel on October 13 & 14, 2005. The conference theme was: Aligning HR Actions for Organizational Success. Ms. Tsukayama also serves as the Hawai'i State representative to the American Association for Affirmative Action's Region IX Board, and is the Vice President – Serving the Professional, for the Hawaii Chapter of the Society for Human Resource Management (SHRM).

CLASSIFICATION AND PAY DIVISION

Major Functions

Plan, develop, and administer the classification and pay plans; conduct research on classification and pay matters; recommend pricing for new classes established; participate in State-wide meetings on statutory equal pay pricing requirements; participate in collective bargaining wage negotiations and in developing salary adjustment recommendations for excluded managerial employees; assist departments and coordinate with other personnel management processes on personnel implications and problems relating to reorganizations, reassignment of work and creation of new classes.

Classification Activities

During the past year, staff continued to provide significant personnel management advisory assistance on various classification issues and/or proposed reorganizations involving many city departments and agencies, including:

- Storm water quality inspectors in multiple agencies to comply with the National Pollutant Discharge Elimination System (NPDES) requirements
- Musician classes in the Royal Hawaiian Band
- Positions responsible for the City's telecommunications system
- Construction Management Branch, Wastewater Division, Department of Design and Construction
- Parking and Property Management Branch, Public Building and Electrical Maintenance Division, Department of Facility Maintenance
- Real Property Assessment Division, Department of Budget and Fiscal Services
- Purchasing Division, Department of Budget and Fiscal Services
- Computer Operations Section, Department of Information Technology
- Alarm Tracking Bureau, Honolulu Police Department
- Emergency Services Department
- Technical Support Division, Department of Information Technology
- Office of Administrative Support, Department of Environmental Services
- Scientific Investigation Section, Honolulu Police Department
- Board of Water Supply

In addition to the foregoing, classification activity continued with a total of 1483 classification actions completed during FY 2006 in the following categories: 95 initial allocations; 691 reallocations; 18 “no change” actions; 552 revised descriptions; and 127 requests returned without action. These actions resulted in nine new, 32 amended, one re-titled, and 13 abolished classes.

In addition to the seven classification appeals pending with the Civil Service Commission from the previous year, two new classification appeals were filed. The Commission denied seven appeals and two appeals were withdrawn.

City and County of Honolulu Enterprise Resource Planning System (C≤HERPS) Project

Division provided the department’s representative to the City committee responsible for evaluating proposals for the new Enterprise Resource Planning (ERP) system for financial and human resources/payroll processes. Staff serves as a member of the Executive Steering Committee, which is responsible for setting project direction, resolving outstanding issues relating to project scope and organization and ensuring the success of the project. Staff further serves as team lead for the HR/payroll phase of the project and lead/coordinated subject matter experts in preparing demonstration and discovery scripts, attended demonstration/discovery sessions with selected vendors, participated in evaluating vendors, including site visits, and participated in the negotiation process. Finally, staff will serve as the HR/Payroll project manager and transition manager for the design, planning, development and implementation of the HR/payroll phase. The targeted date to begin implementation is October 2006 and the system is expected to “go live” on January 1, 2008. Additional staff of the division (as well as other department divisions) will serve as subject matter experts and be closely involved in the design and implementation throughout the next two fiscal years.

Fair Labor Standards Act (FLSA) FairPay Regulations

Monitoring city compliance with the FairPay regulations issued by the U.S. Department of Labor continues. Staff continues to monitor and maintain currency in FLSA regulations and legal decisions, including attendance at a “Wage and Hour Law Compliance” seminar and participation in an audio conference on “Overtime Exemption Audits”.

Staff continues to serve as city “experts” in FLSA exemptions, providing direction and advice to department and agency supervisors and administrative staff to ensure compliance. Staff conducted both general overview and in-depth FLSA exemption training sessions for departmental managers and administrative staff. A total of 115 managers and administrative staff attended the general overview session and 83 received in-depth training.

Pay Activities

Pay staff reviewed the proposed pricing of 115 new classes established by the State of Hawaii, the Judiciary, the Hawaii Health Systems Corporation, the Department of Education, and the counties of Hawaii, Maui and Kauai for equivalency with city classes as required by Section 76-1, HRS. This provision mandates that “equal pay for equal work shall apply between classes in the same bargaining unit among jurisdictions for those classes determined to be equal through systematic classification of positions based on objective criteria and adequate job evaluation, unless it has been agreed in accordance with chapter 89 to negotiate the repricing of classes.”

Staff planned and facilitated inter-jurisdictional meetings held in December and April of this fiscal year to complete the determination of equal classes across jurisdictions and to resolve outstanding issues related to implementation of the new equal pay provisions discussed above.

The recruitment and retention incentives (RRI) negotiated in a supplemental agreement with United Public Workers to address recruitment and retention of heavy vehicle mechanics in the Automotive Equipment Services Division of the Department of Facility Maintenance were extended in June 2006. The department believes implementation of the RRI has resulted in positive results and benefits, notably in the retention and productivity of staff.

The engineering, architect, land surveying, computer programmer, and data processing systems analyst classes were continued on shortage. Position shortage for a geotechnical engineer to address the numerous landslides and soil stability issues resulting from the extensive rains during the spring was also approved.

Staff responded to five surveys conducted by the Hawaii Employer’s Council, two surveys conducted by the City of Charlotte, North Carolina, and provided wage and salary information to the State of Hawaii Department of Labor and Industrial Relations Gender Based Inequity Study.

Staff continues to serve as liaison and point of contact for other state jurisdictions, providing information, advice and support on a variety of organizational, classification and compensation matters, including:

- Legislative branch organization.
- Classification and/or compensation of classes/positions such as engineering support technicians, police reporters, fingerprint technicians, equipment operators, park permit clerks, fire lieutenants, mechanics, driver licensing and abandoned vehicles, landfill attendants and police guards.
- Hazard pay determinations.
- Information technology organizational structure and position allocation.
- Civil Service Commission and appeal rules and regulations.

- Commercial drivers license requirements and laws.
- Fair Labor Standards Act (FLSA) inquiries.

Finally, staff provided support of the Salary Commission in its hearings and deliberations, will represent the City on the statewide Pay Equity Task Force established by the state legislature, and participated in joint labor-management subcommittees for Bargaining Unit 01, Blue Collar Workers.

EMPLOYMENT AND PERSONNEL SERVICES DIVISION

Major Functions

Plan, develop, and conduct recruitment activities to attract qualified applicants for city employment; coordinate the priority placement program for work-injured employees; review personal services contracts for compliance with legal provisions.

Plan, develop, and administer a personnel examination program in accordance with the merit principle and professional examination standards; evaluate candidates' qualifications and administer appropriate examinations; establish lists of eligible candidates; and refer names to departments in accordance with civil service rules.

Advise departments and other personnel functional areas on requirements and resources to fill personnel needs, on selection interviews, and on related recruitment and examination matters.

Research, develop, and maintain economic, compensation, and related data in support of personnel activities; conduct initial orientation of new employees and exit interviews; develop and coordinate implementation and administration of benefits and awards programs.

Audit, certify, and maintain records of all personnel actions affecting officers and employees of the City government.

Recruitment and Examination Activities

This fiscal year, the number of recruitments increased 14% from 122 to 143. The number of applications we received decreased 13% from 15,113 to 13,270, and the number of qualified applicants placed on eligible lists decreased 1%, from 4,165 to 4,119. The number of internal departmental competitive examinations administered by departments increased 33% from 302 to 456. There was a 15% increase in the number of vacancies filled from 652 to 777.

Despite recruitment at shortage category pay rates and recruitment incentives for certain job classes, we continued to have difficulty in recruiting for engineers, fleet mechanics, mobile emergency care specialists, electricians and related electrical classes, and plumbers. Staff continued research and development of work-study partnerships with community colleges and various agencies to help fill these critical vacancies.

Outreach activities and presentations continued. The speakers' bureau with members from city departments such as Emergency Services, HFD and HPD made presentations in the community and at elementary, middle and high schools and colleges, encouraging students and the public to consider the City as an employer. Staff also participated in job fairs and career days held at the Neal Blaisdell Center and at high schools and colleges on Oahu.

We were involved with city-wide meetings with various departmental staff and the Mayor's Project Management Office to review and create initiatives for employee recruitment and retention. Staff time was also involved in researching and gathering information to address complaints for Corporation Counsel. Countless hours were spent developing scenarios for vendors seeking to bid on the City's Enterprise Resource Planning (ERP) project. Staff work continues on business scenarios in preparation of the implementation of the new system.

Staff is working on automating various personnel action approval forms such as extension of limited term appointments, departmental promotions, transfer and demotions, suitability checks and requests for eligibles. Staff continues to work on rule changes as well as amendments to the policy and procedures manual.

Metropolitan Police Recruit

The examination staff has continued to partner with the Honolulu Police Department (HPD) in attracting police recruits and police radio dispatchers locally and on the mainland. Staff participated in job fairs and recruited and tested applicants in San Diego, in support of HPD outreach efforts.

Selection Interview Training

This past year we conducted selection interview training for departmental personnel officers and supervisors. Our training manual was used as a reference guide for departmental staff members who develop selection interview questions and factors. Examination staff continues to assist all departments with their selection interview questions and rating factors.

Fire Fighter Recruit

Highlights of the 2006 fire fighter recruitment

- A new written test was administered in February 2006 to the 2,309 candidates who took the September 2005 written test.
- Due to the existence of study guides and practice questions on the test vendor's web site, the scores from the September 2005 written test was rescinded.

- For the same reasons cited above, the video test scheduled in October 2005 was cancelled.
- Of the 2,309 candidates invited to the February 2006 written test, 1,588 reported to take the test.

Staff also assisted the Honolulu Fire Department in administering the Candidate Physical Abilities Test (CPAT).

- 312 candidates participated in CPAT events testing.
- Orientation for CPAT was held during April 2006.
- We assisted HFD with administration of CPAT during June. Two hundred ninety five candidates were scheduled for Phase I events at Blaisdell Exhibition Hall.
- 266 candidates participated in CPAT Phase I events.
- 220 candidates participated in CPAT Phase II Swim and Dive events at the Kaneohe District Park.
- Selection interviews were scheduled for the last week in July.



A new exam plan for the clerk typist and senior clerk typist positions was developed. This involved a major change in the examination process and eliminated the written test. Staff developed and implemented scoring based on education and experience.

RECRUITMENT AND EXAMINATION ACTIVITIES

	<u>2004-05</u>	<u>2005-06</u>
<u>Recruitments</u>		
Open-Competitive and Promotional	122	143
<u>Applicants</u>		
Open-Competitive and Promotional Examinations	15,113	13,270
Labor Registration	1,797	2,302
Summer College Student Program	490	643
<u>Examinations</u>		
Internal Departmental Competitive Promotions (Audited)	302	456
Applicants Placed on Eligible Lists	4,165	4,119
Vacancies Filled from Applicants Referred	652	779
Number of Vacancies	855	829

Personnel Research and Services Activities

The research staff completed a proposal for a flexible spending accounts third party administrator. On March 31, 2006 consultation on the proposed plan was completed with all the unions. However, it was agreed that discussions would continue with one union.

New Hybrid Retirement Plan - During this fiscal year, the State Employees' Retirement System (ERS) offered general employees (excluding elected officials, fire fighters and uniformed police officers) a one-time opportunity to join the new Hybrid Retirement Plan effective July 1, 2006. The campaign began in November 2005 and ended on March 31, 2006. The Benefits Section coordinated three special "Hybrid" election sign-up sessions for employees and cabinet/appointed personnel. At these sessions, representatives from the ERS were present to answer questions and employee concerns. The benefits staff and Department of Information Technology staff members were also available to assist employees with logging onto the Hybrid website and instructing them how to complete beneficiary information.

<u>Session Date</u>	<u>Number</u>
2/28/06, 9-1 pm	117 employees serviced
3/15/06, 9-1pm	101 employees serviced
3/21/06, 10:30-11 am	8 cabinet/appointed personnel serviced

Service and Incentive Awards – The Benefits, Research and Transactions Branch planned and coordinated the following two distinct and separate employee recognition programs:

1. The 2005 Mayor's Recognition Luncheon – A private luncheon held on September 22, 2005, at the Halekulani Hotel that gave special recognition to 22 departmental Employees of the Year and nine Managers of the Year for their hard work and dedication. Ilona Irvine and Special Friends provided the entertainment. Special bus transportation was provided for the honorees.
2. The 2005 Mayor's Employees Awards Program – On the morning of November 9, 2005, Mayor Hannemann, in his first year in office, honored the 22 departmental Employee of the Year honorees and the nine Manager of the

Year honorees, as well as 168 employees with 25 years of service, 60 employees with 35 years of service and one employee with 45 years of service with the City and County of Honolulu. Sixteen Sustained Superior Performance Award recipients and one Exceptional Achievement Award honoree also received recognition. The program, held at the Mission Memorial Auditorium, climaxed with the Mayor's announcement that Department of Community Services' Job Resource Specialist III Leinaala H. Nakamura was selected as the City's Employee of the Year, and Environmental Services' Assistant Wastewater Division Chief Earl W.M. Ng was chosen as the City's Manager of the Year. The Mayor presented awards to these two selectees and all the honorees. The musical group Kai Makani provided the entertainment.



“New Employee Orientation Session” renamed to “Benefits Processing Session” – Our former “New Employee Orientation Session” was renamed to *“Benefits Processing Session”*. Included with this change was a pilot *e-form* processing via City Intranet to register new hires for this session. The form continues to be changed as departments provide feedback. Another change initiated was a pre-filled payroll documents packet. New employees must complete six to 20 pages of documents with their name, address, department name and/or job title. Having these documents pre-filled allows for a more efficient session.

The Benefits Section staff provided Benefit Processing Sessions for 1,087 new City employees. Each session is about three or four hours in length, and special sessions were also provided to departmental staff as needed. Fifty-five sessions were conducted in the past fiscal year. The section staff orients all new City employees except those from the Honolulu Police Department and the Board of Water Supply.

The Benefits Section also coordinated the preparation and distribution of 206 Retirement Certificates. In addition, the staff coordinated the monthly retirement ceremonies held in the Mayor's private office, which include a photo of each retiree with the Mayor. A total of 29 individuals participated in the Mayor's monthly retirement ceremonies. Staff also invited department heads and representatives, as well as family members and friends of the retirees, to attend the retirement ceremonies.

Leave Sharing – Established in 1994, the City's Leave Sharing Program allows employees to voluntarily donate their vacation leave credits to another employee who has a catastrophic or serious illness or injury, or to an employee who has a family member suffering from a serious illness or injury. At the start of FY06, there were three recipients carried over from the previous fiscal year. An additional 13 applications were received and reviewed. Of the 13, three were denied, one cancelled and nine were approved.

The central leave bank received a total of 1,885.80 donated hours.

<u>Fiscal Year</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Leave recipients at the start of the fiscal year	9	7	7	8	1	4	3	3
Added recipients during the fiscal year	16	19	13	7	10	15	13	9
Remaining recipients at the end of the fiscal year	6	7	8	1	4	4	4	2

Transactions Activities

Staff processed salary adjustments for employees in the following bargaining units:

BU 01: On the October 15, 2005 payroll, eligible employees received a 3.5% ATB increase to the salary schedule effective October 1, 2005. On December 16, 2005, eligible employees received a 1.25% ATB increase to the salary schedule effective December 1, 2005.

BU 02: On the October 15, 2005 payroll, eligible employees received a 3.5% ATB increase to the salary schedule effective October 1, 2005.

BU 03, BU 04 and BU 13: On the October 15, 2005 payroll, eligible employees received a 3.5% ATB increase to the

salary schedule effective October 1, 2005.

- BU 10: On the August 15, 2005 payroll, eligible employees received a 2.5% ATB increase to the salary schedule August 1, 2005. On February 16, 2006 eligible employees received a 2.5% ATB increase effective February 1, 2006.
- BU 11: On the July 15, 2005 payroll, eligible employees received a 2% ATB increase to the salary schedule effective July 1, 2005. Employees moved or remained on their appropriate step in accordance with the collective bargaining agreement. Effective January 1, 2006 eligible employees received a 2% ATB increase.
- BU 12: On the July 15, 2005 payroll, eligible employees received a 4% ATB increase to the salary schedule effective July 1, 2005.
- EMCP (BU 11): On the December 15, 2005 payroll, eligible employees received a 4% ATB increase to the salary schedule effective July 1, 2005.
- EMCP (BU 12): On the December 15, 2005 payroll, eligible employees received a 4% ATB increase to the salary schedule effective July 1, 2005.
- EMCP (BU 4 and 13): On the December 15, 2005 payroll, eligible employees received a 3.5% ATB increase to the salary schedule effective October 1, 2005.

PERSONNEL TRANSACTION STATISTICS

Entrance to the Service:	<u>2004-05</u>	<u>2005-06</u>
Exempt Appointments	4,188	3,630
Limited Term	59	76
Provisional	2	—
Short Term	3	—
Initial Probation	482	583
Subtotal	4,734	4,289
In-Service Changes:		
Changes in Status	1,670	1,537
In-Service Movements	1,366	1,190
Other Transactions	2,912	2,379
Reorganization	—	—
Salary Adjustments	16,744	13,610
Subtotal	22,692	18,716
Separations:		
Resignations	459	508
Service Retirement	226	213
Death	15	16
Disability	6	6
Layoff	—	—
Dismissal	26	16
End of Appointment	84	119
Exempt Employee	331	41
Personal Services	1,820*	1,770*
Subtotal	2,967	2,689
GRAND TOTAL	30,393	25,694

*Large number reflects processing of intermittent, on-call employees.

NUMBER OF EMPLOYEES AS OF JUNE 30, 2006

	<u>Civil Service</u>		<u>Exempt*</u>	<u>Total</u>
	<u>Perm.</u>	<u>Temp.</u>		
Executive Branch				
Board of Water Supply	517	15	4**	536
Budget & Fiscal Services	266	—	4	270
Community Services	89	39	1	129
Corporation Counsel	31	3	42	76
Customer Services	237	—	2	239
Design & Construction	194	—	3	197
Emergency Services	289	1	2	292
Enterprise Services	188	—	4	192
Environmental Services	847	1	4	852
Facility Maintenance	514	—	4	518
Fire	1,068	—	4	1,072
Human Resources	69	—	2	71

	<u>Civil Service</u>		<u>Exempt*</u>	<u>Total</u>
	<u>Perm.</u>	<u>Temp.</u>		
Information Technology	119	—	2	121
Managing Director	—	—	23	23
Mayor's Office	—	—	8	8
Medical Examiner	13	—	3	16
Neighborhood Commission	—	—	13	13
Oahu Civil Defense	9	—	—	9
Parks & Recreation	670	15	3	688
Planning & Permitting	248	—	4	252
Police	2,517	1	5	2,523
Prosecuting Attorney	122	7	106	235
Royal Hawaiian Band	35	—	1	36
Transportation Services	84	—	3	87
SUBTOTAL	8,126	82	247	8,455

Legislative Branch

City Clerk	23	—	2	25
City Council	1	—	87	88
SUBTOTAL	24	—	89	113
GRAND TOTAL	8,150	82	336	8,568

**Exempt from civil service under provisions of the City Charter. Includes elected officials, department heads and their deputies, private secretaries, law clerks and attorneys, and employees in the offices of the mayor and managing director. Excludes personal services contract employees who are students or whose services are special or unique, part-time or intermittent, or of a temporary nature.*

***Does not include individuals hired under Experimental Modernization Project (EMP).*

HEALTH SERVICES DIVISION

Major Functions

Conduct pre-employment and periodic physical evaluations; conduct examinations mandated under the Hawaii Occupational Safety and Health Law to support departmental hearing conservation, respiratory protection, asbestos and bloodborne pathogen programs; medically certify commercial drivers and operators of crane and hoist equipment; and conduct and/or oversee programs that are designed to promote health, reduce risks, and prevent injury. Additionally, we administer a drug-screening program for all new hires and random testing for selected employees, and provide blood analysis for suspects arrested for driving under the influence of alcohol (DUI).

City and County of Honolulu

Department of Human Resources

Health Services Division Summary of Activities

<u>MEDICAL EVALUATIONS</u>	<u>04-05</u>	<u>05-06</u>
Pre-employment evaluations	435	520
Pre-employment evaluations – drug testing only	422	398
Annual physical evaluations	3,325	3,634
Other physical evaluations (includes return to work and fitness for duty)	492	493
Total Medical Evaluations	4,674	5,045
<u>MEDICAL PROCEDURES</u>	<u>04-05</u>	<u>05-06</u>
Pre-employment drug screening collections	679	658
Urinalysis	3,744	3,977
Immunizations	239	238
Vision tests	3,863	4,118
Hearing tests	4,204	4,364
Pulmonary function tests	1,635	1,396
Electrocardiogram (EKG)	2,082	2,276
Blood alcohol analysis (for DUI arrestees)	331	294
DNA sample collections (for felony arrestees)	116	143
Total Medical Procedures	16,893	17,464

Recruiting and retaining employees continues to be a major concern for the Health Services Division. Medical personnel are in short supply and we have to compete with major hospitals, clinics and physician offices for our employees. We ended the fiscal year with two critical vacancies. We plan to add a new medical assessment specialist to our staff next year. This will enable us to have full coverage during times of sick leave and vacations, as well as enhancing our em-

ployee wellness programs.

During the year we continued our multiple-year cycle of replacement of aging medical equipment, reference books and journals. This year we replaced our 25 year-old vision tester and some aging office furniture. In November, we provided flu shots to 750 city employees. This was the first time this program has been offered city-wide. Next year, we hope to reach at least 1,500 employees.

Recognizing the importance of a drug free workplace, this year we brought the medical review officer (MRO) function back within the City, allowing us to provide faster turn around on all positive drug tests. The MRO provides analysis and follow-up for pre-employment and random drug testing for various city employees. This year he reviewed 3,435 individual drug tests, of which 12 were positive for drug usage. This included new employees, and employees of the Honolulu Police and Fire departments. Other city employees, including drivers of commercial vehicles, are tested separately.

We continued to review and revise our physical examination procedures, making them more relevant to today's job requirements and the Americans with Disability Act (ADA). By eliminating hematocrit testing, which has no relevance to job performance, and bringing the MRO program back in-house, we were able to realize annual savings of approximately \$10,000, which could be applied to other more critical program areas. We will continue to question and review our procedures in the division, making changes where necessary, to better reflect "best industry standards."

The Employee Assistance Program provided a total of 745 individual service sessions (face-to-face or phone counseling of at least 20 minutes duration) to 197 City employees and their significant others. Of this number, 162 employees were new to the program and 35 returned for new or different services. Group counseling sessions were provided to 61 work groups, including critical incident stress debriefings. The program also provided 370 management consultations and 36 management-training sessions on subjects including workplace violence prevention, stress, conflict resolution, personal development and substance abuse. The number one problem continued to be employee job stress, followed by chemical dependency, marital and family issues and other miscellaneous problems.

INDUSTRIAL SAFETY AND WORKERS' COMPENSATION DIVISION

Major Functions

Develop, promote, coordinate and maintain a safety program for the City and County of Honolulu to comply with the Hawaii Occupational Safety and Health Law; help departments develop and implement safety programs; maintain statistics of lost time industrial injuries and illnesses and vehicle accidents for use in developing safety and accident prevention programs and strategies.

Administer the City's self-insured workers' compensation program to comply with the Hawaii Workers' Compensation Law (Chapter 386, Hawaii Revised Statutes) and other related rules and laws; administer the City's retention, rehabilitation and placement and limited duty programs; represent the City before the Department of Labor and Industrial Relations on workers' compensation related issues.

Table 1 shows the direct costs associated with administering the City's safety and workers' compensation programs for the last five years.

Table 1
Industrial Safety and Workers' Compensation Division
Direct Annual Operating Expenditures

Fiscal Year	2001-02	2002-03	2003-04	2004-05	2005-06
Salaries	851,720	851,185	826,565	887,346	897,667
Current Expenses	24,968	26,740	24,805	27,787	31,263
Equipment	0	0	1,561	0	0
Total Expenditures	876,688	877,925	852,931	915,133	928,930
Funded Positions	19	18.5	18	18	18

Safety Branch Activities

Staff safety specialists inspected various work sites for compliance with the Hawaii Occupational Safety and Health Law and recommended corrective action as necessary. The safety specialists continued to review and investigate accidents and injuries, making recommendations as appropriate. They also responded to departmental requests for guidance in matters concerning safety and health and hazard pay. Injury and workers' compensation statistics were compiled, evaluated and summaries distributed to city agencies to help in their efforts to develop, refine and improve their safety, training and return to work programs.

The Vehicle Accident Review Committee (VARC) met each month to review accidents involving city vehicles (excluding HPD and BWS). The committee held hearings on 321 vehicle accidents this fiscal year. As a result, 216 of these accidents were found to be avoidable. Each driver received notification of the committee's decision with recommendations to prevent similar accidents.

The Safe Driver Recognition and Awards Program recognized 290 employees for sustained superior driving performance. Of these drivers, 93 received awards for 11 or more years of accident-free driving.

Table 2 summarizes the City's lost-time incidence rate and vehicle accidents for the past five fiscal years. The incidence rate is the number of disabling (lost-time) injuries in a given year for each 100 employees (200,000 hours worked). Avoidable accidents include BWS but not HPD.

Table 2
Lost-Time Incidence Rate and Vehicle Accidents

<u>Fiscal Year</u>	<u>Lost-time Injuries</u>	<u>Incidence Rate</u>	<u>Avoidable Accidents</u>
2001-02	579	6.3	233
2002-03	515	5.8	229
2003-04	483	5.4	203
2004-05	429	4.8	194
2005-06	452	5.0	246

Workers' Compensation Branch Activities

During the year, the division processed 1,825 new or reopened workers' compensation claims in addition to 1,413 claims carried forward from the previous year, for a total of 3,238 claims. With 10 full-time equivalent claim adjuster positions, this represents an average of 324 claims handled by each adjuster during the fiscal year. Table 3 summarizes annual caseload statistics for the last five fiscal years.

Table 3
Annual Workers' Compensation Caseload Statistics

<u>Fiscal Year</u>	<u>01-02</u>	<u>02-03</u>	<u>03-04</u>	<u>04-05</u>	<u>05-06</u>
Beginning Active Claims	1,485	1,615	1,502	1,466	1,413
Claims Opened or Reopened	2,139	2,114	2,190	1,933	1,825
Claims Closed	2,009	2,227	2,226	1,986	1,682
Continuing Active Claims	1,615	1,502	1,466	1,413	1,556
Claims Per Adjuster	403	310	308	283	324

The City recovered \$60,725 for workers' compensation cases involving outside parties causing or contributing to injuries sustained by city employees. Most of this recovery came from third party insurance carriers for injuries associated with automobile accidents.

The City's two in-house vocational rehabilitation counselors provided job placement services to 207 disabled employees. This included employees needing temporary modified work during periods of medical recovery and those requiring permanent job reassignments because they could not return to their usual and customary work.

Table 4 summarizes the City's workers' compensation expenditures for the last five years. Total workers' compensation expenditures decreased \$1,931,079 (13.3%) from the prior fiscal year. Expenditures for indemnity decreased 33%, temporary disability (wage replacement) benefits increased 3.5% and medical expenditures decreased 6%.

Table 4
Workers' Compensation Direct Expenditures

<u>Fiscal Year</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Temporary Disability	3,312,928	3,748,866	3,683,251	3,520,533	3,642,872
Indemnity	3,973,332	4,789,471	4,837,171	5,029,619	3,357,324
Medical	4,624,629	4,432,193	5,227,760	4,225,753	3,962,788
Claim Management	449,883	604,200	599,043	597,765	522,885
Special Fund Assessment	777,650	1,109,379	1,040,161	866,464	799,719
Medical Bill Audit/Payment	381,678	412,669	376,180	314,148	337,615
TOTAL	13,520,100	15,096,778	15,763,566	14,554,282	12,623,203

Table 5 shows city workers' compensation expenditure and injury statistics. There were 53 fewer claims filed for workers' compensation benefits than the previous fiscal year. However, the number of lost-time injuries increased by 23. Over the last four years, the number of claims filed decreased 14%. Table 6 summarizes workers' compensation expenditures and new claims by city department or agency.

Table 5
Comparison of Injury and Expenditure Statistics

Fiscal Year	Workers' Compensation Expenditures	Percent Change	Number Of New Claims	Percent Change	Lost Time Injuries	Percent Change
01-02	13,520,100	+11.7	1,693	+02.7	579	-11.1
02-03	15,096,778	+04.4	1,738	-01.4	515	-06.2
03-04	15,763,566	-07.7	1,713	-09.4	483	-11.2
04-05	14,554,282	-13.3	1,552	-03.4	429	+05.4
05-06	12,623,203		1,499		452	

Table 6
FISCAL YEAR 2005-06

Department/Agency	Total Cost (\$)	New Claims
Board of Water Supply	667,610	75
Budget and Fiscal Services	84,977	4
City Clerk	59,629	1
City Council & Council Services	939	0
Civil Defense	1,504	1
Community Services	21,447	4
Corporation Counsel	1,190	1
Customer Services	336,580	24
Design and Construction	3,932	2
Emergency Services – Administration	13,550	0
Emergency Services – EMS	495,817	73
Emergency Services – Ocean Safety	415,758	39
Enterprise Services – Excluding Golf	168,048	37
Enterprise Services – Golf Courses	35,541	9
Environmental Services – Administration	3,848	6
Environmental Services – Wastewater	530,730	63
Environmental Services – Refuse	790,405	69
Facility Maintenance – Administration	0	0
Facility Maintenance – Building & Electrical	134,125	16
Facility Maintenance – Road	991,972	81
Facility Maintenance – Automotive	190,146	39
Fire	981,542	217
Human Resources	13,468	0
Information Technology	44,294	1
Liquor Commission	64,802	3
Managing Director's Office	11,815	1
Mayor's Office	0	0
Medical Examiner	9,178	4
Parks and Recreation	945,286	116
Planning and Permitting	18,224	5
Police	4351,029	603
Prosecuting Attorney's Office	51,852	1
Royal Hawaiian Band	14,750	2
Transportation Services	31,881	2
Special Comp Fund Assessment	799,719	-
Medical Bill Audit/Payment Services	337,615	-
TOTAL	12,623,203	1,499

LABOR RELATIONS AND TRAINING DIVISION

Major Functions

Coordinate contract administration within the City and with other jurisdictions; provide assistance to management on employee-employer relations, collective bargaining and training matters; participate in collective bargaining negotiations; represent the City as hearings officer in grievance meetings and serve as employer advocate in arbitration proceedings.

Plan, develop and implement personnel development and training programs to increase employee productivity; prepare

employees to assume broader responsibilities and improve the efficiency, economy, and quality of public service provided by employees.

Labor Relations Activities

City employees are represented by eight different bargaining units. The Labor Relations Branch represents the employer (the City) in labor-management activities. During the fiscal year, 202 grievances were filed at the employer level. (The chart on the following page shows the breakdown by departments and bargaining units.) Labor Relations staff issued 135 decisions, and resolved 27 grievances through settlement agreement. At the end of the fiscal year, 291 grievances were pending (at the employer level or arbitration).

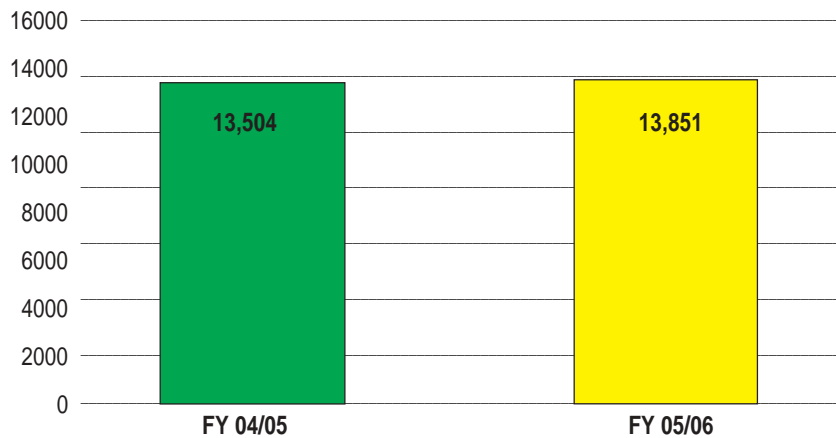
There were 17 grievance arbitration awards rendered during the fiscal year. Of those, 13 awards were favorable to the City, including three terminations. The other cases in the City's favor involved disciplinary suspensions, promotion/non-selections, allegedly improper investigation and transfer, and overtime. Arbitrators modified three grievances involving disciplinary actions, including a termination. The union prevailed in one grievance; that case involved the termination of a city worker as a result of drug testing but contained several flaws. At the end of the fiscal year, four grievances were pending arbitrators' decisions (hearings concluded).

STEP 2 and STEP 3 GRIEVANCES BY DEPARTMENT AND BARGAINING UNIT July 1, 2005 to June 30, 2006

DEPARTMENT	BARGAINING UNITS										TOTAL
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>			
BOARD OF WATER SUPPLY	7	1	3	-	-	-	-	-	-	-	11
COMMUNITY SERVICES	-	-	-	-	-	-	-	-	3	-	3
DESIGN AND CONSTRUCTION	-	-	1	-	-	-	-	-	-	-	1
EMERGENCY SERVICES	-	-	1	-	-	-	-	-	-	-	1
ENTERPRISE SERVICES	3	-	1	-	-	-	-	-	-	-	4
ENVIRONMENTAL SERVICES	52	3	1	4	-	-	-	-	2	-	62
FACILITY MAINTENANCE	25	1	1	1	-	-	-	-	-	-	28
FIRE	-	-	-	-	-	-	1	-	-	-	1
MEDICAL EXAMINER	-	-	-	1	-	-	-	-	-	-	1
PARKS AND RECREATION	26	-	1	-	-	-	-	-	-	-	27
PLANNING AND PERMITTING	-	-	2	2	-	-	-	-	-	-	4
POLICE	-	-	7	-	-	-	-	49	-	-	56
ROYAL HAWAIIAN BAND	-	-	1	-	-	-	-	-	-	-	1
TOTAL	113	5	19	8	-	1	49	5	-	-	200
BU 1 BLUE COLLAR NON-SUPERVISORY (UPW) BU 2 BLUE COLLAR SUPERVISORY (HGEA) BU 3 WHITE COLLAR NON-SUPERVISORY (HGEA) BU 4 WHITE COLLAR SUPERVISORY (HGEA) BU 10 INSTITUTIONAL, HEALTH & CORRECTION WORKERS (UPW) BU 11 FIRE FIGHTERS (HFFA) BU 12 POLICE OFFICERS (SHOPO) BU 13 PROFESSIONAL & SCIENTIFIC (HGEA)											

Training Activities

Number of Training Hours Completed Through Training Branch-Sponsored Classes*



13,851 total training hours were completed by 2,743 employees who participated in Training Branch-sponsored Classes. The number of participants has increased by **26%** over FY 05.

*Numbers do not reflect training sponsored or conducted by other departments such as computer training and other department-specific training.

This year, we were pleased to make management training and individual scholarships available through the mayor's Project Management Office (PMO) for employees to attend seminars and conferences that showcase national best practices. Through our scholarship program, employees can network with peers, learn leading edge technology, and bring back knowledge, training and information to improve city operations.

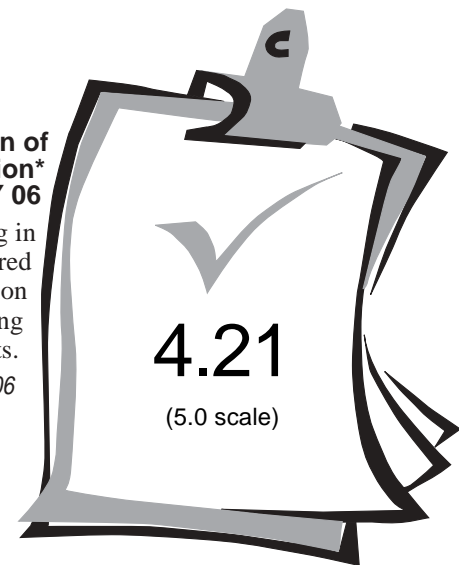
Employees applying for scholarships must demonstrate how participation in the training will benefit the City in terms of a return-on-investment and potential long-term returns.



Overall Satisfaction of Training Session* FY 06

Employees participating in Training Branch-sponsored classes rate their satisfaction on a range of training components.

*Evaluations began 01/06



Training Branch Activities and Highlights

This year, the Training Branch implemented new programs to increase the number of leadership sessions offered to our city managers and supervisors. In the area of leadership development, the Training Branch sponsored management issues forums, not only as a means to keep managers informed about various city projects, but also to invite high-profile industry speakers to the City to present the latest trends and topics in leadership. These presentations included, but were not limited to: "How Eagles Dare – Critical Difference between Managing and Leading", "Getting in Front of the Elephant – Earning Respect for Human Resources", and "Ethics Update". The Training Branch also sponsored leadership training sessions with Honorable Mayor Hannemann, the cabinet and staff.

In the area of supervisory development, the Training Branch offered a supervisory development curriculum:

- Conflict Resolution
- Discipline and Grievance Handling
- Drug and Alcohol Policies Training
- Effective Business Writing
- Ethics Training
- Fundamentals of Management
- Investigation 101

In the area of employee development, the Training Branch offered a series of employee development courses including, but not limited to:

- Budget and Fiscal Overview
- Customer Service Workshop
- First Aid / CPR
- Generational Differences
- Letters and Memos
- Prevention of Sexual Harassment
- Prevention of Workplace Violence
- Support Staff Seminar

For new employees, the Training Branch conducts new employee orientation. In new employee orientation, participants are welcomed to the City by various DHR personnel. Participants receive an introduction to city operations. Various mandatory policies such as prevention of sexual harassment and prevention of workplace violence are reviewed during this orientation.

Trades Apprentices Program

A total of 35 apprentices are currently participating in trade occupations. The City's Apprenticeship Training Program, in partnership with Honolulu Community College, continues to train employees in the trade occupations listed below.

Apprenticeship Training Program

<u>Department</u>	<u>Trade</u>	<u>Employees in Program</u>
Board of Water Supply	Pipefitters	17
Facility Maintenance	Bridge and Heavy Construction Carpenters	2
	Fleet Mechanics	3
	Heavy Construction Mason	1
	Line Electricians	10
Transportation Services	Traffic Signal Electricians	2